

MAINE GAMBLING CONTROL BOARD

March 17, 2015

09:00 – 11:00

45 Commerce Drive Suite 3

Augusta, Maine 04333

Meeting opened at 9:00 am

Board members present: Tim Doyle, Chair; Barbara Dresser; Joe Laliberte;

Staff present: Detective Don Armstrong, Office Specialist I Janine Collins, Auditor Donald Berrie, Auditor Jill Tobey, Inspector Supervisor Vicki Gardner, Executive Director Patrick Fleming.

Legal counsel present: Assistant Attorney General Lauren LaRochelle

Introductions:

The Board introduced themselves followed by introductions of the staff and counsel by Executive Director Fleming.

Review of the minutes 02/17/2015

Motion to accept the minutes as presented: Joe Laliberte, Board Member

Seconded: Barbara Dresser, Board Member

Vote: Unanimous

Executive Director Report:

Legislature – the bills relating to gambling have been slow to come out of the reviser's office so far this session. So far only seven bills have been printed.

Two of the bills relate to high stakes BINGO, one reducing the fee for a license and the other to allow electronic BINGO.

Two of the bills relate to allowing slot machines in Veterans organizations, they are very similar bills but one allows the machines to be put in OTB's.

One bill increase the amount the Oxford casino would pay in taxes on slot revenue by 4% in order to give 2% each to the Houlton Band of Maliseets and the Aroostook Band of Micmacs to give them the same percentage that the Penobscot and Passamaquoddy tribes get.

One bill requires the casinos to give all employees that receive tip revenue a detailed accounting the amount collected by the casino and how it is distributed. This has to be done at least once a pay period.

And the last bill is the KENO bill which the Executive Director will address separately. He expects that when more bills come from the reviser's office the committee will start working them in batches.

KENO –The Executive Director advised the Board at the last meeting that the Bureau of Alcoholic Beverages and Lottery was planning to start a KENO game in May of this year. There was some questions from the Board as to whether the Lottery had the authority to start the game and whether the regulatory functions were in the right place. It appears that some members of the Veterans and Legal Affairs committee had the same questions and an emergency bill was presented by Rep. Luccini, the House chair of VLA to remove the authority of the Lottery Commission to run a KENO game. The bill went to public hearing on Monday March 9th and was scheduled for a work session on Wednesday March 11th. Prior to the work session the Governor's office put out a press release stating that the lottery was no longer considering pursuing KENO and the Lottery Director reaffirmed that at the work session. The committee voted unanimous ought to pass on the bill which will prohibit the lottery from starting KENO in the future without a statute change.

Personnel – At the last Board meeting the Executive Director advised that we had done interviews to fill the vacant Inspector position in Bangor. We offered the position to Michael Rancourt and he started February 23rd. His previous employment was as a security officer at the Hollywood Casino so he was very familiar with the statutes and rules which helped reduce his training time.

National Problem Gambling Awareness Month - The month of March is National Problem Gambling Awareness Month and March 11th was the annual conference on Problem Gambling Awareness here in Maine put on by the Office of Substance Abuse and Mental Health. Inspector Supervisor Gardner attended the conference on behalf of the Board.

Executive Director Fleming was also contacted by a reporter doing a story on gambling addiction and our self exclusion list. The reporter asked some questions regarding the monies in the cascade designated for administrative costs of the Board and gambling addiction services. These lines in the cascade are very misunderstood in that people not familiar with the cascade think the money comes to the Gambling Board and then we decide how much goes to Gambling Addiction Services. He had to explain that this does not happen and that the money goes into the general fund and the people at SAMHS have to request it through the budget process as we do for our funding. The only amount they are guaranteed every year is the \$100,000 that is required in statute.

Executive Director Fleming was also asked for some demographic information from our self exclusion list. As you know we took over the self- exclusion in February of 2014 and as of March 1, 2015 we had 142 people on the list. Of the 142, 81 are male and 61 female. 137 are from Maine and 5 from out of state or Canada. Penobscot County has the highest number of people on the list followed by Androscoggin and Cumberland. Most of the people excluding choose the one year exclusion and we had several come off the list on March 1, 2015. One person who came off the list has already self-excluded again for another year. I thought the Board might be interested in this information as it shows that we are trying to help the problem gamblers help themselves. He also explained that when an Inspector walks the person excluding through the process they will give them information where they can go to get further assistance.

Auditors Report : Auditor Donald Berrie All the Board Members had previously received reports showing revenue data for February 2015, as well as 2015 calendar year to date and the partial quarter 1, 2015. As expected, weather continued to play an adverse role in revenue performance through February. The February revenue was \$3,528,000 for the month; a decrease of \$232,000, or 6% from February 2014. Year-to-date revenue was \$6,899,000; a decrease of \$455,000 or 6% from the same period in 2014. The partial quarter 1 2015 matches the decline from 2014.

The revenue trend chart you received includes February revenue for 2013, 2014 and 2015. You will also note that the revenue trend remains constant, with peak revenues in July and August, tapering off from September through February and increasing from March through June. The distribution of tax revenues is available on the “Revenue Totals” tab of the Gambling Control Board web site.

Slot machine hold compliance is calculated on a quarterly basis. I will report on quarter 1 compliance after March 31, 2015.

Audit program : The table game component of the audit program has commenced at the Oxford Casino. The interview phase of this component has been performed. The testing phase will be performed within the next two to three weeks.

State Police Update: Detective Don Armstrong

Unfinished Business: BMM test labs slot machine testing BMM would like to come to the Board . One of the casinos is interested. Lauren checked on the contract.

Board thought we should invite them to the April meeting.

Global Cash Access would like to provide gaming products in Maine, The Company has been around for a long time and after Director Fleming presentation the Board discussed if they were suitable to move forward with their application.

Motion to Approve Global Cash Access application Joe Laliberte

Seconded: Barbara Dresser

Vote: Unanimous

New Business: Hollywood Casino Internal Control Change defining what is a valid ID

Motion to Approve Joe Laliberte

Seconded: Barbara Dresser

Vote: Unanimous

Oxford Casino Internal Control Change Regarding fills of machines

Motion to Approve the change with adding the Gambling Control Staff to the notifications Joe Laliberte

Seconded: Barbara Dresser

Vote: Unanimous

Employee License Review: This is a review as to whether the Board should move forward with the licensing of a person that is not current on the taxes and has had a plenty of time to get in to compliance with this.

Motion of preliminary denial of application Joe Laliberte

Seconded: Barbara Dresser

Vote: Unanimous

Public Comment: Oxford Casino informed the Board of their community involvement and of the Triple Crown Series Staying active in the community.

Motion: to adjourn Joe Laliberte

Second: Barbara Dresser

Vote: Unanimous

Meeting Adjourned: 9:40

Next meeting is May 19, 2015 @9am @ Bangor, Me 04401

Respectfully submitted Janine Collins Office Specialist II